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## SUBORDINATION AGREEMENT (Leasing Agreement and Management Agreement)

THIS SUBORDINATION AGREEMENT, dated as of November 18, 1992, by and among Fleet National Bank, a national banking association (the "Bank"), MidStates Management Co., Inc., an Illinois corporation ("Midstates");

### W I T N E S S E T H:

WHEREAS, Orland Towne Center Limited Partnership, an Illinois limited partnership (the "Beneficiary") and Midstates have entered into (i) a certain Leasing Agreement dated November 18, 1992, (the "Leasing Agreement"), pertaining to the leasing of certain real property and improvements to be constructed thereon located near the southeast corner of 159th Street and 94th Avenue in the Village of Orland Hills and State of Illinois, commonly known as Orland Towne Center, which is legally described in Exhibit A attached hereto (the "Premises") and (ii) a certain Management Agreement dated November 18, 1992 (the "Management Agreement"), pertaining to the management of the Premises; and

WHEREAS, the Bank, American National Bank and Trust Company of Chicago, as Trustee under a Trust Agreement dated July 21, 1992, and known as Trust No. 115807-1 (the "Owner") and the Beneficiary are entering into that certain Construction Loan Agreement dated as of November 18, 1992 (the "Loan Agreement"), pursuant to which the Bank has agreed to make a construction loan in an amount not exceeding \$9,600,000 (the "Loan") to the Owner for the benefit of the Beneficiary; and

WHEREAS, the Owner has secured or will secure the Loan by mortgaging all of its right, title and interest in and to the Premises as provided in a certain Mortgage Deed and Security Agreement delivered or to be delivered by the Owner to the Bank, as the same may be renewed, modified, consolidated, replaced or extended thereafter (the "Mortgage"); and

WHEREAS, in order to induce the Bank to enter into the Loan Agreement and to make the Loan to the Owner for the benefit of the Beneficiary, Midstates has agreed to enter into this Agreement;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **RECITALS.** The foregoing recitals are hereby incorporated into and made a part of this Agreement.

DEPT-01 RECORDING \$29.50  
T43333 TRAN 9036 11/25/92 11:29:00  
48556 # \*-92-886381  
COOK COUNTY RECORDER

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2. SUBORDINATION. Midstates hereby agrees that:

(a) The Leasing Agreement and the Management Agreement and any and all liens, estates, rights, options and charges created thereby are hereby made, and shall hereafter be, subject and subordinate to the lien created by the Mortgage and any other documents pertaining to the Loan.

(b) Neither the Bank, if the Bank takes possession of the Premises, nor the Purchaser shall be (i) liable for any act or omission of the Owner or Beneficiary or any other owner of the Premises relating to matters occurring prior to the date of its possession or purchase and shall thereafter be liable only during the period of time it possesses or owns the Premises, (ii) personally liable for any default under the Leasing Agreement and/or the Management Agreement or any covenant or obligation on its part to be performed thereunder as owner, it being acknowledged that Midstates' sole remedy in the event of such default shall be to proceed against the Bank's interest in the Premises, (iii) subject to any offsets or defenses which Midstates may have against the Beneficiary or any other owner relating to matters occurring prior to the date of its possession or purchase, or (iv) bound by any amendment or modification of the Leasing Agreement and/or the Management Agreement made without the Bank's consent.

3. TERMINATION. The Bank hereby agrees that in the event of a sale or change in possession of the Premises through foreclosure or otherwise, Midstates, at its sole option and discretion, may terminate the Leasing Agreement and/or the Management Agreement.

4. NOTICES. All communications provided for herein shall be in writing and shall be deemed to be given or made when served personally or two days after deposit in the United States Mail, registered or certified, return receipt requested, postage pre-paid, addressed as follows:

If to the Bank:

Fleet National Bank  
111 Westminster Street, Suite 800  
Providence, Rhode Island 02903

Attention: Commercial Real Estate  
Division

If to Midstates:

MidStates Management Co., Inc.  
1420 Kensington Road, Suite 103  
Oak Brook, Illinois 60521

Attention: Mr. Steven M. Pagnotta

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with a copy to:

Jeffrey Jahns, Esq.  
Seyfarth, Shaw, Fairweather &  
Geraldson  
55 East Monroe Street, Suite 4200  
Chicago, Illinois 60603

or to such party at such other address as such party may designate by notice duly given in accordance with this paragraph to the other parties.

5. GOVERNING LAW. This Agreement and the rights and duties of the parties hereto shall be construed and determined in accordance with the laws of the State of Illinois, by which laws this Agreement shall be governed in all respects.

6. SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon, and shall inure to the benefit of, the Bank and MidStates and their respective successors and assigns.

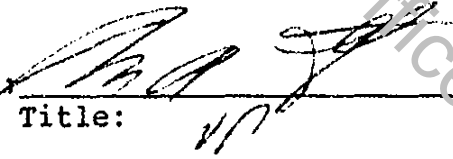
7. COUNTERPARTS. This Agreement may be executed in any number of counterparts and all such counterparts taken together shall be deemed to constitute one instrument.

8. PARTIAL INVALIDITY. If any term of this Agreement shall be held to be invalid, illegal or unenforceable, such term shall be deemed to be severable and validity of the other terms of this Agreement shall in no way be affected thereby.

IN WITNESS WHEREOF, the undersigned have executed this document as of the date first above written.

FLEET NATIONAL BANK

By: 

Title: 

MIDSTATES MANAGEMENT CO., INC.

By: 

Title: 

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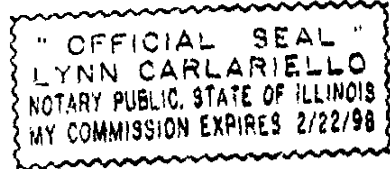
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STATE OF Illinois )  
COUNTY OF Cook )

The foregoing instrument was acknowledged before me this ~~19th~~ day of ~~March~~ April, 1992, by Michael A. Laverdy, V.P., of Fleet National Bank, a national banking association, on behalf of said bank.

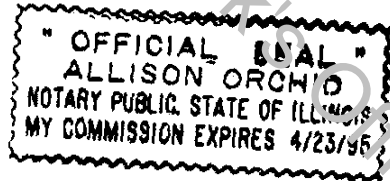
Lynn Carlariello  
Notary Public



STATE OF ILLINOIS )  
COUNTY OF COOK )

The foregoing instrument was acknowledged before me this 4th day of March, 1992, by David Peterson, President of MidStates Management Co., Inc., an Illinois corporation, on behalf of said corporation.

Allison Orchid  
Notary Public



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## EXHIBIT A

Lots 1, 2 and 3 in Orland Towne Center Subdivision, being a subdivision of part of the Northeast Quarter of Section 22, Township 36 North, Range 12 East of the Third Principal Meridian, in Cook County, Illinois.

PROPERTY, 159TH ST. AND 94TH AVE.  
ADDRESS ORLAND HILLS, IL.

P.I.N. 27-28-0101-013; 014; 015;  
020 AND 021

Prepared by Michael Ross  
& Mail to: Schair K's Bunnery  
222 N. LaSalle - #1918  
Chgo. Ill. 60601

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